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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

23 April 1979
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MEMORANDUM FOR: Director of Central Intelligence

VIA : Robert R. Bowie
Director, National Foreign Assessment Center

Richard Lehman
National Intelligence Officer for Warning

FROM : Joe L. Zaring
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SUBJECT : Monthly Warning Assessment: Western Europe

ITALY

1. There is a high possibility that violence -- assassinations, kidnappings, and bombings -- will mar the campaign now under way for the critically important 3 June national elections. Terrorist groups of the extremist left and right basically aim to make government appear unworkable, and they well know -- from the Moro assassination, for example -- how a single, bold act can reverberate throughout the system. It is the common wisdom that the Christian Democrats and the Communists will retain roughly the 40 and 30 percent of the vote they respectively now have. Untoward events, such as violence, could be an unpredictable factor, however, in the relative standings of both the larger and smaller parties, including the pivotal Socialists. Even marginal gains and losses could have a substantial effect on the kind of posture party leaders will assume in the post-election negotiations on a new government.

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TURKEY

2. The rising crescendo of violence and the tendency of terrorist groups to target the authorities and even Allied personnel -- rather than each other -- continue to pose a most serious threat to the Ecevit government. The hard-pressed prime minister seems to have no real answers to the terrorist problem itself or to the divisiveness it gives rise to in his party, the government, and the country as a whole. Friction over how martial law should be implemented would be sharply aggravated by further attacks on prominent figures,

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and any appearance that violence is out of control remains the one development most likely to precipitate military intervention in the governing process. May Day demonstrations in Istanbul have on occasion in the past turned violent.

3. The government meanwhile seems badly distracted by the unrest in the Kurdish areas which, though still of manageable proportions, nevertheless seems likely to increase and to feed upon Kurdish assertiveness in neighboring countries.

NATO

4. Substantial political hurdles will have to be overcome if the Alliance is to achieve agreement by its year-end deadline on a program for upgrading theater nuclear forces and negotiating complementary constraints with Moscow that might help restore the theater nuclear balance. Chancellor Schmidt initially raised and still accepts the military necessity of force modernization, but he also has to take into account diverse elements of his party who are more arms control minded or are particularly concerned to preserve the long-term prospects of Ostpolitik. Schmidt is therefore insisting that the modernization-constraints package receive NATO-wide approval and that at least one other continental member agree to accept any new theater nuclear weapons capable of reaching the Soviet Union. Since few of the potential host countries, such as Italy and the Netherlands, are better off politically than West Germany to deal decisively with these politically sensitive questions, we see considerable potential for drift and even erosion of Alliance cohesion.

BRITAIN

5. The Tories have staked out a somewhat nationalist and generally hard-line foreign policy position which on several important issues is at odds with current US positions. On Rhodesia, the Conservatives clearly have no sympathy for the Patriotic Front and international sanctions, and if victorious, would seem certain in due course to shift Britain's support to the internal solution. The party is also much more given than Labor to be skeptical about SALT and related arms control matters, more inclined to emphasize linkages among outstanding issues between the West and the USSR, and a bit drawn to Gaullist European concepts. A Tory government would continue to put high value on its relations with Washington, but its views on some of these matters could appeal to and be used by the Administration's critics.

SPAIN

6. The Socialist Party congress to be held 17-20 May could provide some indication whether the outcome of the recent national and municipal elections may have concealed incipient polarization tendencies. The Suarez government appears to have abandoned consensus politics and shifted somewhat to the right since its election victory at the national level, while the Socialists have been more willing than before to collaborate with the Communists in order to maximize

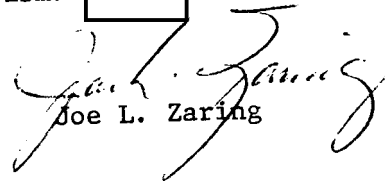
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their relatively better showing at the municipal level. Socialist Party leader Gonzalez seems likely to come under heavy fire at the party congress for the moderate line he has so far pursued. It is meanwhile clear that the surprising gains scored by the Basque extremist party have made it much more difficult for the Basque Nationalist Party to hold to its more sober course on the inflammatory problem of Basque separatism.

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